

STATE OF INDIANA)
) SS:
COUNTY OF ELKHART)

IN THE ELKHART CIRCUIT COURT

CAUSE NO. 20C01 0105 CP238

STATE OF INDIANA,)
)
 Plaintiff,)
)
 v.)
)
JUDD STILLSON,)
)
 Defendant.)

FILED
01 MAY -4 AM 8:41
RANDALL YOUNG
ELKHART CIRCUIT COURT

COMPLAINT FOR INJUNCTION,
RESTITUTION, COSTS, AND CIVIL PENALTIES

The State of Indiana, by Attorney General Steve Carter and Deputy Attorney General Eric L. Jackson, petitions the Court pursuant to the Indiana Deceptive Consumer Sales Act, Indiana Code §24-5-0.5-1 *et seq.*, for injunctive relief, restitution, civil penalties, costs, and other relief.

PARTIES

1. Defendant Judd Stillson resides at 152 Madison Street, Nappanee, Indiana 46550, and has been a resident of Elkhart County at all times relevant to the Plaintiff's complaint.

FACTS

2. During the months of October and November of 1999, a number of people residing in Northern Indiana became involved in a money-making venture referred to alternatively as "Blessings' Gift List," "Gifting Activities," or "Gifting and Receiving Activities" (hereinafter "the Blessing").

3. The Blessing was a program organized as a pyramid-shaped grid consisting of four levels containing a total of fifteen positions. The fourth, or bottom level of the grid contained

eight positions, referred to as “freshmen,” the third level contained four positions, referred to as “sophomores,” the second level contained two positions, referred to as “juniors,” and the top level, or apex of the pyramid, consisted of one position, referred to as the “senior.”

4. Any person wishing to enter the Blessing was required to pay the senior the amount of two thousand dollars (\$2,000.00) in order to secure a position on the bottom level of the grid, which allowed the person joining to recruit other persons to join the Blessing.

5. When a senior obtained a \$2,000.00 payment from eight people securing all eight positions at the bottom level of the grid, the senior was removed from the grid, which then split into two grids with the junior of each grid advancing to the senior position at the apex of their respective grid. Those positioned on the third and fourth levels also advanced to the second and third levels, respectively, creating eight new positions at the bottom level of each grid. A true and correct copy of a chart distributed to some participants in the Blessing showing the movement of participants through the grid is attached and incorporated by reference as Exhibit “A.”

6. On or about October 29, 1999, The Defendant and Melissa Kryder met in the parking lot of a Meijer store where Mrs. Kryder and Mrs. Francis Beard each gave the Defendant \$1,000.00 in order to share a position on his grid.

7. Prior to and/or during the October 29, 1999 meeting the Defendant, both directly and through a third party who was a participant in the Defendant's grid, encouraged Mrs. Kryder to pay the Defendant \$1,000.00 in order to join his grid and secure the ability to recruit new members, with the ultimate goal of advancing through the levels of the pyramid and receiving a share of a \$16,000.00 payment.

8. On or about October 31, 1999, the Defendant and Robert Neice met in the parking lot of a church located near the Defendant's home and Mr. Neice gave the Defendant \$2,000.00 to join the Defendant's grid.

9. Prior to and/or during the October 31, 1999 meeting the Defendant encouraged Mr. Neice to pay the Defendant \$2,000.00 in order to join his grid and secure the ability to recruit new members, with the ultimate goal of advancing through the levels of the pyramid and receiving a \$16,000.00 payment.

10. As part of his promotion of the Blessing, the Defendant represented, both in person and through a third party who was a participant in the Defendant's grid, to prospective participants, including Mr. Neice and Mrs. Kryder, that the Blessing was legal and that the money participants received through the Blessing was tax free, when the Defendant knew or should have known such representations were false.

11. In truth and in fact, the Blessing was an illegal pyramid scheme and payments received by persons who participated in the Blessing were not tax free.

12. As a result of the Defendant's efforts in promoting the Blessing and the representations set forth in paragraph 10 above, the Defendant received a payment in the amount of two thousand dollars (\$2,000.00) from Mr. Neice and one thousand dollars (\$1,000.00) from Mrs. Kryder.

COUNT I-VIOLATIONS OF THE DECEPTIVE CONSUMER SALES ACT

13. The Plaintiff realleges and incorporates by reference the allegations contained in paragraphs 1 through 12 above.

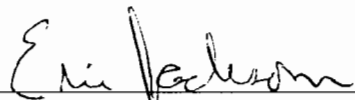
14. The Blessing is a "pyramid promotional scheme" as defined by Ind. Code §24-5-0.5-2(8).

d. Civil penalties pursuant to Ind. Code §24-5-0.5-4(g) for the Defendant's knowing violations of the Deceptive Consumer Sales Act, in the amount of five hundred dollars (\$500.00) per violation, payable to the State of Indiana; and

e. All other just and proper relief.

Respectfully submitted,

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By: 
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